



CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
FINANCIAL STATEMENTS
JUNE 30, 2008

DATE RECEIVED:



AUDIT REVIEW #(s) 04531

Assigned To: Mount

Date Reviewed: 4/2/09

Reviewer's Initials: DM

Date Review(s) Completed: 4/2/09

CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
TABLE OF CONTENTS
JUNE 30, 2008

GENERAL PURPOSE FINANCIAL STATEMENT:

Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Schedule of Revenues and Functional Expenses	6-7
Notes to the Financial Statements	8-12
Board of Directors	13

SUPPLEMENTARY INFORMATION

Statement of Approved Budget and Cumulative Expenditures for the Office of Emergency Services Grants	16
Schedule of Expenditures of Federal Awards	17-19
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	20-21
Report on Compliance with Requirements applicable to each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	22-24
Schedule of Findings and Questioned Costs	25-27



INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of
Crisis Intervention Services, Inc. D.B.A Tahoe Women's Services
Incline Village, Nevada

I have audited the accompanying Statement of Financial Position of Crisis Intervention Services, Inc. D.B.A Tahoe Women's Services as of June 30, 2008, and the related Statements of Activities, Cash Flows, and Schedule of Revenues and Functional Expenses for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Crisis Intervention Services, Inc. D.B.A Tahoe Women's Services as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated October 10, 2008, on my consideration of the Organization's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Statement of Approved Budget and Cumulative Expenditures for the Office of Emergency Services Grants and the Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. These forms are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Sandra Carlos Accountancy Corp

October 10, 2008

**CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008**

ASSETS

CURRENT ASSETS:

Cash and Cash Equivalents (Notes 1 and 2)	\$ 52,960
Grant Receivables (Notes 1 and 3)	224,655
Other Receivables	1,258
Inventory (Note 1)	2,412
Prepaid Expenses	3,753
Security Deposit	<u>3,729</u>

Total Current Assets	288,767
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OTHER ASSETS:

Fixed Assets, Net (Notes 1 and 4)	<u>248,768</u>
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Total Assets	<u>\$537,535</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts Payable	\$ 9,750
Payroll Taxes Payable	45
Due to Truckee Prevention Coalition	10,707
Accrued Vacation Payable	26,884
Deferred Revenue	<u>2,620</u>

Total Current Liabilities	<u>50,006</u>
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NON CURRENT LIABILITIES:

EHAP Loan Payable (Note 5)	172,728
Interest Payable (Note 5)	<u>31,955</u>

Total Non Current Liabilities	<u>204,683</u>
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Total Liabilities	254,689
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NET ASSETS:

Total Unrestricted Net Assets	<u>282,846</u>
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Total Liabilities and Net Assets	<u>\$537,535</u>
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See accountant's audit report and notes to financial statements.

CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES:			
Contracts	\$ 0	\$ 1,065,613	\$ 1,065,613
In-Kind Donations	180,355		180,355
Donations	132,091		132,091
Fundraising	114,037		114,037
Interest Income	2,016		2,016
Program Fees	1,781		1,781
Other	1,072		1,072
Merchandise Sales	248	0	248
	<u>431,600</u>	<u>1,065,613</u>	<u>1,497,213</u>
Net assets released from restrictions	<u>1,065,613</u>	<u>(1,065,613)</u>	<u>0</u>
Total Unrestricted Revenues	<u>1,497,213</u>	<u>0</u>	<u>1,497,213</u>
EXPENSES:			
Nonresidential	489,815		489,815
Children's Services	210,633		210,633
Prevention & Education	213,293		213,293
Residential Safe house	218,186		218,186
Volunteer Expenses	74,115		74,115
Operations	343,957	0	343,957
	<u>1,549,999</u>	<u>0</u>	<u>1,549,999</u>
OTHER INCOME AND EXPENSES:			
Disposed Assets	(415)	0	(415)
Change in Net Assets	(53,201)	0	(53,201)
Net Assets at the Beginning of the Year	<u>336,047</u>	<u>0</u>	<u>336,047</u>
Net Assets at the End of the Year	<u>\$ 282,846</u>	<u>\$ 0</u>	<u>\$ 282,846</u>

See accountant's audit report and notes to financial statements.

**CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008**

Cash Flows from Operating Activities:

Change in Net Assets \$ (53,201)

Adjustments to Reconcile Decrease in Net Assets
to Net Cash Used in Operating Activities:

Depreciation	9,561
Loss on Sale of Disposed Assets	415

Changes in Operating Assets and Liabilities:

(Increase) in Grants Receivable	(28,262)
(Increase) in Accounts Receivable	(1,258)
(Increase) in Inventory	(542)
(Increase) in Prepaid Expenses	(1,218)
(Decrease) in Accounts Payable	(2,838)
(Decrease) in Payroll Liabilities	(436)
Increase in Accrued Vacation Payable	2,205
Increase in Subrecipient Payable	10,707
(Decrease) in Deferred Revenue	<u>(44,604)</u>

Total Adjustments	<u>(56,270)</u>
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Net Cash Used in Operating Activities	<u>(109,471)</u>
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Net Cash Provided by Financing Activities:

Accrued Interest on EHAP Loan	<u>5,182</u>
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Net Cash Provided by Financing Activities	<u>5,182</u>
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Net Decrease in Cash	(104,289)
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Cash at the Beginning of the Year	<u>157,249</u>
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Cash at the End of the Year	<u><u>\$ 52,960</u></u>
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See accountant's audit report and notes to financial statements.

CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
SCHEDULE OF REVENUES AND FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008

	Nonresidential	Children's Services	Prevention/ Education	Residential/ Safe House	Volunteer	Operations	Total
Revenues:							
Contracts	\$ 357,867	\$ 182,313	\$ 193,635	\$ 173,104	\$ 49,341	\$ 109,353	\$ 1,065,613
In-Kind Donations	88,986	9,599	670	2,839	2,750	75,511	180,355
Fundraising			10,700			103,337	114,037
Donations	22,721	20,450	10,500	25,981		52,439	132,091
Program Fees	871		910				1,781
Other			233			839	1,072
Interest Income						2,016	2,016
Merchandise Sales						248	248
Total Revenues	<u>470,445</u>	<u>212,362</u>	<u>216,648</u>	<u>201,924</u>	<u>52,091</u>	<u>343,743</u>	<u>1,497,213</u>

Expenses:							
Payroll	267,235	111,138	135,275	116,906	50,472	141,594	822,620
Rent	43,778	9,298	19,554	10,552	944	30,054	114,180
Employee Benefits	38,373	11,111	16,546	15,816	6,439	16,749	105,034
Volunteer Hours	61,392	9,599					70,991
Payroll Taxes	23,203	9,492	11,477	9,607	4,630	12,552	70,961
Fundraising Expenses	613					53,408	54,021
Audit & Professional Fees	3,341	4,300	7,800	6,125	600	7,858	30,024
Direct Services	16,072	4,680		8,577			29,329
Contract Labor	6,371	12,553		715		6,990	26,629
Advertising						23,893	23,893
Mileage & Travel	7,818	2,328	4,127	3,036	308	5,780	23,397
Subrecipient Payments		20,580					20,580
Communications	5,548	3,384	2,312	4,088	3,601	1,473	20,406
Seminars and Conferences	4,489	2,033	1,570	1,805	50	8,747	18,694
Supplies	1,538	3,065	4,410	3,831	691	4,810	18,345

See accountant's audit report and notes to financial statements.

CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
SCHEDULE OF REVENUES AND FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008

	Nonresidential	Children's Services	Prevention/ Education	Residential/ Safe House	Volunteer	Operations	Total
Utilities	2,365	1,688	2,259	8,152			14,464
Insurance	3,499	1,307	1,718	1,963	543	2,807	11,837
Equipment Repair & Maint.	2,045	1,295	3,192	4,814		195	11,541
Small Equipment			320	6,116	0	4,240	10,676
License and Permits	19	364	131	20	15	9,941	10,490
Depreciation			52	9,110		399	9,561
Printing	1,014	701	677	383	1,209	3,161	7,145
Volunteer & Staff Recognition	340	70			3,163	2,773	6,346
Building Interest				5,182			5,182
Dues and Subscriptions	467	196	1,176	51	120	2,906	4,916
Postage	91	67	154	84	477	1,818	2,691
Automotive	62	1,384		803			2,249
Public Relations			350			1,162	1,512
Education and Training	142		193		853	301	1,489
Property Taxes				450			450
Cost of Goods Sold	-	-	-	0	-	346	346
Total Expenses	489,815	210,633	213,293	218,186	74,115	343,957	1,549,999
Change in Net Assets	\$ (19,370)	\$ 1,729	\$ 3,355	\$ (16,262)	\$ (22,024)	\$ (214)	\$ (52,786)

See accountant's audit report and notes to financial statements.

**CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

Note 1 - Summary of Significant Accounting Policies

Organization

Crisis Intervention Services, Inc., d.b.a. Tahoe Women's Services (TWS) opened in 1982 as an independent non-profit agency serving women and families. Since that time, they have provided assistance to thousands of people in crisis. Tahoe Women's Services is recognized as the primary agency providing domestic violence, sexual assault and child abuse services in the North Lake Tahoe - Truckee area. Their mission is to "reduce the incidence and trauma of Domestic Violence, Sexual Assault and Child Abuse in the North Lake Tahoe and Truckee communities." They operate from the belief that every person has a right to live a life free of violence and abuse. TWS provides programs that support personal growth and assist people on the journey from crisis to self-sufficiency. Some of the core programs include a 24-hour Crisis Line, a Safe House for woman and children, counseling, support groups, assistance with legal issues, and prevention programs in the schools and community. They also have a significant number of volunteers and volunteer training programs.

Method of Accounting

The Organization prepares its financial statements using the accrual method of accounting in conformity with generally accepted accounting principles. Income is recognized as it is earned and expenses are recognized as they are incurred whether or not cash is received or paid at that time.

Revenue

The Organization receives substantially all of its contract revenue from Federal, State and County agencies. They recognize contract revenue from its contracts on either a pro-rata basis over a 12-month period, which represents the service period for certain contracts, or to the extent of expenses. Revenue recognition depends on the terms of the contract.

Any of the funding sources may, at its discretion, request reimbursement for expenses or return of funds, or both, as a result of non-compliance by the Organization with terms of the contracts.

Donated Services

Donated services are recognized as contributions in accordance with SFAS No. 116, Accounting for Contributions Received and Contributions Made, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by TWS. Volunteers for office support, events and fundraising activities have not been recognized as contributions in the financial statements since the recognition criteria under SFAS No. 116 were not met.

**Crisis Intervention Services, Inc.
D.B.A. Tahoe Women's Services
Notes to the Financial Statements
June 30, 2008**

Note 1 - Summary of Significant Accounting Policies (Cont.)

Donated Assets

Donated facilities are recorded as contributions at their estimated fair rental value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

For purposes of the Statement of Cash Flows, management considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Equipment

Expenditures for office furniture, fixtures, and equipment funded through grants, contracts, or awards are charged against operations as a current period cost. Title for that property remains with the granting, contracting, or awarding agency. Such property shall not be disposed of without written approval from those agencies. Some funding sources may have a reversionary interest in the property as well as the determination of use of any proceeds from the sale of these assets.

Other equipment purchased with general funds are stated at cost. The policy of the TWS is to provide for depreciation, using the straight-line method, over the estimated useful lives of the assets which ranges from 3 to 30 years.

Allocation of Expenses

The Organization uses an allocation plan to allocate shared expenses to the appropriate programs. The Director's salary, office rent, utilities, telephone, and other common expenses are allocated to all programs with a portion allocated to the Operations Program as well.

Grant Receivables -

Grant Receivables consists of amounts due from funding sources, as described in Note 3, and are considered by management to be fully collectible.

Accounts Receivable

The amount reported had been collected prior to the audit report date, therefore no allowance for doubtful accounts has been recorded.

Crisis Intervention Services, Inc.
D.B.A. Tahoe Women's Services
Notes to the Financial Statements
June 30, 2008

Note 1 - Summary of Significant Accounting Policies (Cont.)

Inventories

Inventories are stated at the lower of cost or market determined by the first-in, first-out method.

Note 2 - Cash and Cash Equivalents

Cash as of June 30, 2008 consists of the following:

Checking - Bank of the West	\$ 1,160
Checking - Wells Fargo CA Operating	32,092
Checking - Wells Fargo NV	18,515
Checking - Wells Fargo Payroll	793
Petty Cash	400
Total Cash and Cash Equivalents	<u>\$ 52,960</u>

The organization maintains its cash in bank accounts, which at times, may exceed federally insured limits. The organization has not experienced any losses in such accounts. The organization believes it is not exposed to any significant credit risk on cash or cash equivalents.

Note 3 - Grant Receivables

The Grant Receivables as of June 30, 2008 consists of the following:

Maternal and Child Health Services (MCH)	\$ 55,332
OES - Child Abuse Treatment Program (CHAT)	39,424
OES - Domestic Violence	28,453
OES - Sexual Assault	26,454
Child Abuse Prevention Services (CAPIT)	17,589
Department of Health Services - Rape Prevention Education Program	15,020
Social Services Block Grant - Title XX	7,319
Nevada Network Against Domestic Violence (NNADV)	6,596
Emergency Housing and Assistance Program (Contract 6)	5,913
Nevada County - Community Services Block Grant (CSBG)	3,639
Family Violence Prevention & Services Program (FVP)	3,425
Victim of Crime Act	3,376
Placer County - Community Services Block Grant (CSBG)	3,120
Violence Against Women Act	3,046
Nevada County Rape Prevention Education Program (NV RPE)	1,763
Domestic Violence - Placer	1,655
Marriage License Domestic Violence Grant	1,352
Nevada County Marriage License Grant	1,179
Total Grant Receivables	<u>\$224,655</u>

Crisis Intervention Services, Inc.
D.B.A. Tahoe Women's Services
Notes to the Financial Statements
June 30, 2008

Note 4 - Fixed Assets

Fixed Assets as of June 30, 2008 consists of the following:

Building	\$ 222,420
Land	71,686
Furniture	16,989
Equipment	8,505
Less: Accumulated Depreciation	(70,832)
Equipment, Net	<u>\$ 248,768</u>

Non-owned assets which the organization had on site as of June 30, 2008 are as follows:

Federally Owned Assets	<u>\$ 122,866</u>
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Note 5 - Note Payable

The organization had a note Payable secured by the Truckee Building and Land which is being used as the safe house. The loan was payable to James Conlin. The note was paid off April 26, 2002 by the Department of Housing and Community Development Emergency Housing and Assistance Program.

The organization now has a note with the Department of Housing and Community Development. This note accrues interest at 3% per annum. The note also states that repayment of principal and interest shall be deferred as long as the property is operated as an emergency shelter or transitional housing facility in compliance with the terms of the Agreement. All outstanding principal and accrued interest shall be forgiven on the maturity date which is April 2, 2012.

All outstanding principal and accrued interest shall be immediately due and payable should the property cease to be operated as an emergency shelter or transitional housing.

As of June 30, 2008 the safe house was open and there are no immediate plans to close the safe house.

Crisis Intervention Services, Inc.
D.B.A. Tahoe Women's Services
Notes to the Financial Statements
June 30, 2008

Note 6 - Line of Credit

The organization has a \$25,000 Business Link Reserve Account with the Bank of the West and Wells Fargo Bank. The available credit balances on both accounts is \$25,000. No draws as of June 30, 2008 have been made on either line of credit accounts.

Note 7 - Income Taxes

The organization is exempt from income taxes as a nonprofit organization under Internal Revenue Code Section 501(c)(3) and, accordingly, the financial statements do not reflect a provision for income taxes.

Note 8 - 401 (k)

The organization has a 401(k) profit sharing plan for the benefit of its eligible employees. Employees may begin elective deferrals after 90 days of service. Employees who have completed one year of service with a minimum of 1,000 hours are eligible for 3% matching contributions.

Note 9 - Operating Lease

The organization rents office space in Truckee and Kings Beach. The Truckee lease agreement expires January 31, 2009 with an option to renew for three years. The lease has a cost of living increase of at least 4% per year and no more than 8% per year. The Kings Beach lease was extended to January 2007. Since that time it has been on month to month rent payments.

The future minimum lease payments under these terms are as follows:

Total future minimum lease payments for year ending June 30, 2009	<u>\$23,557</u>
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**CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
BOARD OF DIRECTORS
JUNE 30, 2008**

Karen Edwards, Executive Director
Courtenay Silvergleid Wallpe, President
Heather Tone, Vice President
Diane King, Secretary
Daren McDonald, Treasurer
Scott Berry
Ramona Cruz
Heidi Doyle
Cris Hennessey
Paula Lauer
Edward Miller
Diane Malven-Pang
Barry Triestman

**CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2008**

**STATEMENT OF APPROVED BUDGET AND CUMULATIVE EXPENDITURES
AND SCHEDULE OF FEDERAL AWARDS FOR
CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES**

CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
STATEMENT OF APPROVED BUDGET AND CUMULATIVE EXPENDITURES
FOR THE OFFICE OF EMERGENCY SERVICES GRANTS
FOR THE AUDIT PERIOD JULY 1, 2007 TO JUNE 30, 2008

Grant RC07181561

	<u>Budget</u>	<u>Claimed</u>	<u>State</u>	07 <u>VOCA</u>
Personnel Services	\$ 88,107	\$ 88,107	\$ 15,736	\$ 72,371
Operating Expenses	31,464	31,464	16,255	15,209
Equipment	0	0		
Match	<u>21,895</u>	<u>21,895</u>	<u>0</u>	<u>21,895</u>
Totals	<u>\$141,466</u>	<u>\$ 141,466</u>	<u>\$ 31,991</u>	<u>\$109,475</u>

Grant DV07071561

	<u>Budget</u>	<u>Claimed</u>	<u>State</u>	<u>FVPSA</u>	<u>VOCA</u>	<u>VAWA</u>
Personnel Services	138,832	140,179	18,570	29,742	90,520	0
Operating Expenses	43,618	43,618	13,547	22,264	2,612	5,195
Equipment	0	0				
Match	<u>39,497</u>	<u>39,497</u>	<u>3,212</u>	<u>13,002</u>	<u>23,283</u>	<u>0</u>
Totals	<u>\$221,947</u>	<u>\$ 223,294</u>	<u>\$ 35,329</u>	<u>\$ 65,008</u>	<u>\$116,415</u>	<u>\$ 5,195</u>

See accountant's audit report.

**CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor/Pass Through Grantor/ Program Title	Period	Federal CFDA Number	Total Grant Amount	Expenses
Office of Emergency Services and Department of Homeland Security				
Rape Crisis Program				
07 VOCA	7/1/2007 -	16.575	\$ 87,580	\$ 87,580
RCPS (State)	6/30/2008	16.575	31,991	37,991
Violence Assistance Program				
VOCA		16.575	93,132	93,132 *
FVPS (State)	7/1/2007 -		32,117	32,117
FVPS	6/30/2008	93.671	52,006	52,006 *
VAWA		16.588	5,195	5,195 *
Child Abuse Treatment Program	10/1/2007 -			
VOCA	9/30/2008	16.575	125,000	84,545
Child Abuse Treatment Program	10/1/2006-			
VOCA	9/30/2007	16.575	125,000	<u>39,531</u>
Total Department of Emergency Services & Department of Homeland Security				<u>432,097</u>
Department of Justice				
State of Nevada				
Office of the Attorney General:				
	1/1/2008 -			
Violence Against Women Grant	12/31/2008	16.588	16,500	10,051
STOP (Services-Training- Officers-Prosecutors) Grant	10/1/2006-			
Violence Against Women Act	12/31/2007	16.588	16,783	4,951

*Major Program

See accountant's audit report.

**CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor/Pass Through Grantor/ Program Title	Period	Federal CFDA Number	Total Grant Amount	Expenses
Department of Justice (Cont.)				
State of Nevada				
Department of Health & Human Services:				
Division of Child & Family Services Victim of Crime Act	7/1/07 - 6/30/2008	16.575	\$ 48,374	<u>48,374</u>
Total Department of Justice				<u>63,376</u>
Department of Health & Human Resources:				
State of Nevada				
Division of Child and Family Services:				
Family Violence Prevention and Services	7/1/2007 - 6/30/2008	93.671	62,000	62,000
Bureau of Family Health Services: Rape Prevention & Education	01/17/08 - 10/31/2008	93.136	15,000	10,849
State of California				
Placer County Community Services Block Grant	1/1/2006 - 12/31/2007	93.571	27,200	8,635
Placer County Community Services Block Grant	1/1/08- 12/31/2008	93.571	20,000	10,316

See accountant's audit report.

**CRISIS INTERVENTION SERVICES, INC.
D.B.A. TAHOE WOMEN'S SERVICES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor/Pass Through Grantor/ Program Title	Period	Federal CFDA Number	Total Grant Amount	Expenses
Department of Health & Human Resources (cont.):				
State of California				
	07/01/07 -			
Department of Public Health	10/31/2007	93.136	12,059	12,059
	11/1/07 -			
Department of Public Health	10/31/2008	93.136	36,178	29,078
Department of Community Services & Development				
Nevada County Housing	1/1/2007 -			
Community Services Block Grant	12/31/2007	93.571	3,500	2,609
Nevada County Housing	1/1/2008 -			
Community Services Block Grant	12/31/2009	93.571	14,166	<u>8,591</u>
Total Department of Health and Human Resources				<u>133,821</u>
Total Federal Expenses				<u>\$ 629,294</u>

See accountant's audit report.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**To the Board of Directors and Finance Committee of
Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services
Incline Village, NV**

I have audited the financial statements of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services; (a nonprofit organization) as of and for the year ended June 30, 2008 and have issued my report thereon dated October 10, 2008. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs.

This report is intended solely for the information and use of the Board of Directors, management, federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

Sandra Carlos Accountancy Corp.

October 10, 2008

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

**To the Board of Directors of
Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services
Incline Village, NV**

Compliance

I have audited the compliance of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services (a nonprofit organization) with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the year ended June 30, 2008. Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' management. My responsibility is to express an opinion on Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' compliance with those requirements.

In my opinion, Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2008. However, the results of my auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs.

Internal Control over Compliance

The management of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services' response to the findings, identified in our audit, is described in the accompanying schedule of findings

Women's Services' response and, accordingly, we express no opinion on it.

This report is intended for the information and use of the Board of Directors, Finance committee, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Sandra Carlos Accountancy Corp

October 10, 2008

**CRISIS INTERVENTION SERVICES, INC. D.B.A. TAHOE WOMEN'S
SERVICES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services.
2. No significant deficiencies relating to the audit of the financial statements are reported on in the financial statements of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services were disclosed during the audit.
3. Two instances of noncompliance material to the financial statements of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs were reported in the report on compliance and internal control in accordance with OMB Circular A-133 of Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services were disclosed during the audit of major federal award programs.
5. The auditor's report on compliance for the major federal award programs for Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule.
7. The program tested as the major program was the United States Department of Office of Emergency Services and Department of Homeland Security, State of California violence Assistance Program.
8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. Crisis Intervention Services, Inc. D.B.A. Tahoe Women's Services qualifies as a low-risk auditee.

**CRISIS INTERVENTION SERVICES, INC. D.B.A. TAHOE WOMEN'S
SERVICES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2008**

Findings – Financial Statements Audit and Major Federal Award Programs Audit

2008 – 1 Request for Reimbursement Reports

Condition: Monthly reports have been revised without documentation regarding the reason for the changes.

Criteria: The monthly grant report should always continue to agree to the reports filed with the agencies. Changes should not be made to expenses charged to the grant without a reason and that reason should be documented.

Effect: The monthly reimbursement requests are not correct. Most contracts of this organization are cost reimbursement contracts. Adjusting the grant reports to remove previously reported expenses could cause earlier reimbursement of expenses.

Cause: This occurs because as contracts near the expiration date, costs needed to be applied to the expiring contracts first. Not all of the contracts expire at the same time. None of the contracts were over or under billed at the end of the contract reporting period.

Auditor's Recommendation: If the expense needs to be charged to another contract, document the change and the reason for the change.

Organization's Response: The organization will adjust their documentation methods to address the instance of noncompliance.

2008 - 2 Indirect Cost Allocation

Condition: Not all indirect costs were allocated based on the indirect cost allocation schedule. In some instances where expenses pertained to various contracts, they were charged entirely to one contract and not allocated. In other instances, the allocation % was changed but no documentation for the change. In all cases, none of the contracts were over or under billed by the end of the contract period.

Criteria: The agency has an indirect cost allocation schedule that is approved with the budget each year. This is an allocation of the expenses that benefit several contracts. The allocation of the expenses should be consistently applied and where the expense applies to one particular contract it should be charged to that contract or if it applies to several contracts it should be allocated based on some criteria adopted by the organization.

Effect: The expenses are not being consistently charged to the contracts. This gives management the ability to adjust the allocation of expenses to the various contracts.

Cause: This occurs when a contract has additional funds available or a donation is received to cover expenses already budgeted in a contract. This allows additional expenses to be charged so they can be covered. None of the contracts were over or under billed at the end of the contract reporting period.

Recommendation: Always apply the indirect cost allocation for expenses as they occur. If a change needs to be made due to changing circumstances, this should be documented and the new allocation should be applied.

Organization's Response: The organization will adjust their documentation methods to address the instance of noncompliance.